

SEC. 614. INCOME REPLACEMENT PAYMENTS FOR RESERVES EXPERIENCING EXTENDED AND FREQUENT MOBILIZATION FOR ACTIVE DUTY SERVICE.

(a) In General- Chapter 17 of title 37, United States Code, is amended by adding at the end the following new section:

` Sec. 910. Replacement of lost income: involuntarily mobilized reserve component members subject to extended and frequent active duty service

` (a) Payment Required- The Secretary concerned shall pay to an eligible member of a reserve component of the armed forces an amount equal to the monthly active-duty income differential of the member, as determined by the Secretary. The payments shall be made on a monthly basis.

` (b) Eligibility- Subject to subsection (c), a reserve component member is entitled to a payment under this section for any full month of active duty of the member, while on active duty under an involuntary mobilization order, following the date on which the member--

` (1) completes 18 continuous months of service on active duty under such an order;

` (2) completes 24 months on active duty during the previous 60 months under such an order; or

` (3) is involuntarily mobilized for service on active duty for a period of 180 days or more within six months or less following the member's separation from a previous period of involuntary active duty for a period of 180 days or more.

` (c) Minimum and Maximum Payment Amounts- (1) A payment under this section shall be made to a member for a month only if the amount of the monthly active-duty income differential for the month is greater than \$50.

` (2) Notwithstanding the amount determined under subsection (d) for a member for a month, the monthly payment to a member under this section may not exceed \$3,000.

` (d) Monthly Active-Duty Income Differential- For purposes of this section, the monthly active-duty income differential of a member is the difference between--

` (1) the average monthly civilian income of the member; and

` (2) the member's total monthly military compensation.

` (e) Definitions- In this section:

` (1) The term 'average monthly civilian income', with respect to a member of a reserve component, means the amount, determined by the Secretary concerned, of the earned income of the member for either the 12 months preceding the member's mobilization or the 12 months covered by the member's most recent Federal income tax filing, divided by 12.

` (2) The term `total monthly military compensation' means the amount, computed on a monthly basis, of the sum of--

` (A) the amount of the regular military compensation (RMC) of the member; and

` (B) any amount of special pay or incentive pay and any allowance (other than an allowance included in regular military compensation) that is paid to the member on a monthly basis.

` (f) Regulations- This section shall be administered under regulations to be prescribed by the Secretary of Defense.

` (g) Termination of Authority- No payment shall be made under this section after December 31, 2008.'

(b) Clerical Amendment- The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

` 910. Replacement of lost income: involuntarily mobilized reserve component members subject to extended and frequent active duty service.'

(c) Effective Date- Section 910 of title 37, United States Code, as added by subsection (a), may apply only with respect to months beginning after the end of the 180-day period beginning on the date of the enactment of this Act .